

CHAPTER 5

CONCLUSION

In the final chapter of this research paper, the summary of findings was stated. Then recommendations on what the universities, private sector and graduates should do to improve the employability and marketability of our local and public university graduates were given. The final part of this chapter concluded the study of this research paper.

5.1 Summary of Findings

According to the literature review, local and public university graduates fail to secure jobs in the private sector because private sector prefers to recruit foreign graduates, private university graduates and private college graduates. This is due to the lack of proficiency in English, Information Communication Technology (ICT) knowledge and interpersonal and communication skills among local public university graduates.

From the survey that was carried out, we can see that this scenario applies to the local and foreign banks studied in this research. As shown in Table 4.2, banks preferred to recruit private university and private college graduates to public university and government colleges and polytechnics graduates. When looked at local and foreign banks separately, the study revealed that there were significant differences in the types of graduates preferred by these banks. Between public university and private university graduates, local banks tended to prefer the former to the latter. On the other hand, between government colleges and polytechnics graduates and private college graduates, foreign banks preferred the latter to the former.

Similar to the literature review, the main reasons given by the respondents for such a practise in recruitment were English proficiency and computer literacy as shown in Table

4.5. However, the findings of this study revealed that preference in recruitment in the local and foreign banks was not only influenced by these aspects.

There were other factors like the marketability of fields of education which deterred our local or public university graduates from securing jobs in the banks. Both local and foreign banks deemed the field of education as an important aspect in graduate recruitment. This shows that the area of specialisation influences the preference practised by these banks. Even though public universities do produce a significant number of graduates with professional degrees, many of them graduate with disciplines like social sciences, sciences, religious studies, and education. As we can see in Table 4.11, these fields of education were not deemed as marketable by both local and foreign banks. And since private sector tends to operate on a more competitive basis or on an economic rationale (Fatimah *et al.*, 1987: 583), they are more interested in fields like Accounting, Business, Banking and Finance, IT, and Computer Science. This pattern can be observed among both the local and foreign banks as they perceived these fields of education to be marketable in the banks. Therefore, this explains why the number of public university graduates preferred by the banks is lower than private university and private college graduates. Private universities and colleges mostly cater courses like IT, Computer Science, Business, Accounting and Finance and their students graduate with these disciplines. Therefore they are more favored by the banks.

Methods of recruitment too played significant role in determining the patterns of recruitment practiced by banks. From Table 4.13 it is clear that most of the local banks used scholarship bonds as one of their recruitment methods. Then in Table 4.14 it shows that they awarded scholarships to public university students and government colleges and polytechnics students. Therefore this explains why a higher proportion of respondents from local banks recruited local or public university graduates. This also shows that public

institutions are stable and employers are more confident in them and therefore they awarded scholarships to students from these institutions. Here, we can see that if the methods of recruitment in a bank included scholarship bonds and if it had been their policy to award scholarships to public university graduates, then these banks tended to recruit more public university graduates. In contrast, foreign banks tended to award scholarships to foreign university students and therefore they recruited more foreign graduates.

It should also be taken into consideration here that characteristics of graduates too played an important role as all the other factors mentioned above. As shown in Table 4.6, both local and foreign banks tended to give priority to graduates who, firstly have past working experience. Secondly, priority was given to academic record/qualification. This was followed by proficiency in English, computer literacy, and skills (technical, analytical). Therefore, it is clear that if graduates possessed past working experience, a good academic record and the other recruitment criteria mentioned, they have a better chance in securing jobs in the banks.

In Table 4.7(a) and (b), we can see that selection criteria such as past working experience, academic record and proficiency in English were given relatively great importance by both local and foreign banks. This was followed by computer literacy, skills (technical, analytical), personality, performance at interview and wider knowledge. This shows that these criteria do influence employers' decision in the selection process. Another finding of this study is that marital status and strength of recommendation letter too influence the preference shown in recruitment by the foreign banks.

As shown in Table 4.5, foreign-recognised degree is another factor that determines the preference in recruitment shown by foreign banks. Since these banks preferred to recruit graduates with foreign-recognised degree they tended to employ graduates from private universities and colleges because these institutions confer foreign-recognised

degrees to their students. Therefore this is another reason why foreign banks had higher tendencies in preferring to recruit private university and college graduates.

Job performance is deemed important by both the local and foreign banks. Therefore, these banks tended to recruit graduates who have the potential of performing well at work. As it was analysed in Chapter 4 (Table 4.18), a significantly larger proportion of respondents from both local and foreign banks tended to rate foreign graduates higher than other graduates. In most aspects, foreign graduates received better credits from local and foreign banks. Their ability to write and speak clearly, ability to work independently, organisational abilities, technical expertise, and willingness to move forward and to pursue extra mile were given high regards by the banks. In aspects like trainability, ability to work independently, ability to realise organisational goals, responsiveness to monetary incentive and so on, private university graduates too were rated good. Meanwhile public university graduates were rated low in aspects like technical expertise, ability to speak and write clearly, willingness to move forward and to pursue extra mile, and capacity for preciseness and carefulness. These ratings given by the respondents from both local and foreign banks explain that the capabilities and aspects that affect job performances of graduates are other factors that influence graduate recruitment patterns in these banks.

However, as we can see in Table 4.1, higher proportion of respondents from both local and foreign banks still preferred to recruit local graduates to foreign graduates. Why the respondents from both the banks rated foreign university graduates higher than public and private university graduates but paradoxically preferred to recruit local graduates? One of the reasons for this situation is foreign graduates' company loyalty is rated poorly by the respondents from both banks (shown in Table 4.18) and this shows that they are more likely to switch jobs more often. Therefore local graduates are still preferred.

Extra-curricular activities are considered to affect job performances. Activities like participation in societies and student unions and sports and games are deemed important by these banks. This is because graduates are perceived to have more exposure and opportunity to enhance their communication and interpersonal skills if they take part in these extra-curricular activities which will in return enhance their job performances.

In Section 4.4, we saw that both local and foreign banks accorded relatively great importance to the universities' role of imparting specific skills. They also perceived that universities and colleges should stress on developing the ability to think rationally and systematically among graduates. Meanwhile, the analysis also revealed that foreign banks tended to show more agreement with producing graduates with very good academic qualifications and capability to communicate well in English. On the other hand, local banks tended to show greater agreement in producing graduates with capability to communicate well in Malay than foreign banks did. Besides this, they also expected universities to produce graduates who were equipped with technical expertise and exposed to working environment.

Majority of the respondents from the banks studied expected universities to provide training or internship to their students so that they will be prepared when they enter the working environment. As it was founded by a survey (Lee, 1987: 192), this is because private sector is concerned with their survival and might have a narrower concept of investment in education. Therefore recruiting graduates who were already equipped with training would imply lower on-the-job training costs for them. Since proficiency in English is very important to the banks they also expressed their opinion that higher educational institutions should provide professional English courses. They also wanted these institutions to offer professional courses in order to produce graduates with higher

competency and marketability and other roles like inducing analytical thinking and participation among students.

Apart from this, the findings also revealed that both banks were keener on graduates with good presentation skills, observant and alert of current changes in technology, graduates who were independent, creative, forward thinking and practical. They also expressed their opinions that they preferred graduates who were not only good at theoretical aspects, but also those who were able to relate these theories in reality.

5.2 Recommendations

5.2.1 Universities

To enhance the marketability of local or public university graduates, universities can adopt a bilingual policy of teaching in both Malay and English to ensure that graduates are well-versed in both the languages. Courses can be conducted in English and students should be encouraged to communicate and learn in English. This is because using Malay as the sole language for teaching and research at the higher education level will lead to both academic and national isolation, to the detriment of national development. English is not only an international language but it is also the language of business and science. Therefore, more exposure time may be given to communication in English at the higher education level so that our local graduates become more capable in communicating in English.

Current policies by the universities in increasing the intake of students in fields like Information Technology (IT), Computer Science, Engineering, and Sciences can be beneficial. This is because to meet the goals of Vision 2020 there is a critical need to produce more scientific and technologically skilled manpower to meet the needs of a rapidly industrialising economy. According to Lee (1996: 323), enrolment at degree

level in the Malaysian universities according to field of study shows that the proportion of students enrolled in the Arts is higher than in the Sciences. Therefore, universities could be more careful in relating the number and type of graduates they produce to the demand of the labour market to avoid mismatch between the graduates and the job market in order to deter high graduate unemployment or underemployment.

Apart from this, universities may also make training or internship programmes a part of the requirement of the undergraduate courses. Universities can make an effort to build relationships with private sector establishments so that undergraduate students can be sent for training or internships to these establishments to expose them to working environment and to widen their knowledge. By carrying out this type of programmes, graduates will develop in themselves the ability to move forward and pursue extra mile and face upcoming challenges at workplace, which will help to enhance their employability.

It is also important for universities to cooperate with the industries in near future. Employers can get involved in the design, implementation and evaluation of courses offered by the universities. This kind of policy can provide the setting for examining the needs of employers in specific skill areas and for identifying those qualities and characteristics of graduates that employers seek. When the universities encourage this type of link with the private sector, it will be easier for them to design the curriculum for undergraduate courses that will produce graduates who possess the qualities and characteristics that the private sector seeks. This type of cooperation will also make the private sector become more comfortable and confident with the abilities of graduates from local public universities.

Besides this, universities may also induce the knowledge of Information Communication Technology (ICT) in their students. As ICT is becoming an important

aspect in both public and private agencies, it is important for our graduates to acquire the ICT and computer skills to enhance their marketability.

Depending solely on the exam-oriented approach in higher education is not advisable. Students could be trained to think rationally and systematically by making research work and presentation a part of the requirements in their courses. Academic staffs can also try to induce participation from students to improve their capability to articulate and encourage them to widen their knowledge and perspective.

As it was stated in the Mid-Term Review of the Eighth Malaysia Plan, universities can strengthen their efforts to incorporate the development of soft skills into the curriculum, assessment system as well as extra-curricular activities. These include communications, decision making, problem-solving, leadership qualities and learning-to-learn attitudes. This will enable universities to produce graduates who are capable, analytical, trainable, computer literate, knowledgeable and hence marketable.

Universities can also offer double major and multidisciplinary programmes as well as introduce double degree programmes for undergraduate students to enhance their employability. As it was stated in the Mid-Term Review of the Eighth Malaysia Plan (Economic Planning Unit, 2003), these programmes as well as cooperative degree programmes which provide learning at both the universities and workplace will be introduced in public higher educational institutions. With regards to this, elements such as research skills and management could be incorporated in undergraduate programmes to equip graduates with analytical and managerial competencies. In addition, it was also stated in the Mid-Term Review of Eighth Malaysia Plan that a well designed industrial attachment and practicum will be implemented for students and teaching staff in all academic programmes to provide exposure to the working environment as well as to enhance their knowledge and skills. Therefore, universities

can cooperate in implementing these policies to enable them to produce quality graduates.

Meanwhile, universities can also encourage the organising of seminars on career path for their students to expose them to the current demands of the labour market and the expectations of employers. This will help graduates to be more alert in preparing themselves for their career and improving their capabilities.

5.2.2 Banking Industry

As it was mentioned in the Mid-Term Review of the Eighth Malaysia Plan, the implementation of market-driven human resources development strategy will be intensified to increase productivity and boost the employability of human resource, in particular graduates. Existing academic programmes will continue to be reviewed with active involvement of the private sector and the implementation of new academic programmes will be based on market requirements (Economic Planning Unit, 2003). Therefore, the banking industry can cooperate with the universities to plan and design curriculum for undergraduate courses so that graduates produced will comply with the demands and standards of the banking labour market. At the same time, this type of policy will also help to increase employers' understanding of the objectives of university courses and thereby modify their expectations of new graduates.

Cooperation between the universities and the banking industry can also be in the form of student placement in the banks. Besides this, these banks can also provide training or internship for undergraduate students. This can be done by creating a relationship with the universities and accepting students from the universities to train and expose them to the working environment.

In the meantime, banks can also provide training policy for their new graduate staffs. They could be willing to provide training programmes like formal and informal on-the-job training, off-the-job training, training in specialized centers, and so on. Continuous training can also be practised for the development of their staffs. Training on ICT, technical skills and other necessary trainings may also be provided so that graduates will be able to improve themselves. Therefore, instead of depending solely on the higher educational institutions to equip their students with all these trainings and expertise, banks could also make an effort to provide training programmes themselves.

The banking industry could have more confidence in our local public university graduates and come forward to award scholarships to high achievers from these universities. This will not only create opportunities for public university graduates to secure jobs in the banks but also encourage them to acquire more knowledge and skills which will help to enhance their employability and to be more competent if they want to remain and excel in the banking industry which is competitive in nature. This in return will help to decrease the unemployment problem among local graduates in the country.

More banks can conduct seminars in universities to expose undergraduate students to the current labour market trend and demands. They could also expose the students to the importance of English as the language of business, international and scientific language, the importance of the knowledge of ICT and other requirements of the market. By doing this, these banks will be able to harness the interest in students to acquire and equip themselves with all the knowledge and skills that will be needed to make them more marketable and competent. Meanwhile, more of these banks can also join the career path that is held in universities to locate students with high potential to be recruited in their banks.

5.2.3 Graduates

Graduates could be wise in selecting their undergraduate courses to avoid mismatch between graduate output and the labour market. Graduates must be alert and observant of the current market trend and choose courses that are market-driven or marketable. They should be careful so that the fields of specialisation chosen are the ones that the industries seek and require.

Graduates can also make an effort to improve themselves by attending classes that can help them enhance and widen their knowledge in Information Technology (IT) and ICT. They may also make the effort to enhance their proficiency in English and try to master the language so that they will be more marketable since proficiency in English has become an important aspect in the banking industry. Possessing a professional degree alone is not going to help graduates to secure jobs in the banks. They also need to speak and write well in English in order to perform well in their work. Therefore efforts should be taken to improve themselves by attending language classes and making reading, talking and writing in English a habit.

Communication and interpersonal skills are also equally important in ensuring the employability and marketability of graduates. Being able to communicate well in both Malay and English, conveying messages or information precisely, accurately and effectively and being able to articulate their opinions and ideas are very important at workplace. Therefore, graduates can develop in themselves a good communication and interpersonal skills so that they become more marketable. Some of the ways to improve their communication and interpersonal skills is by actively taking part in class presentations which are part of their assignments and participating in extra-curricular activities held in universities to gain more exposure and to develop their capabilities.

From the survey carried out, it was noticeable that characteristics and attitudes of graduates were also important. Graduates should be able to work independently, show their organisational abilities, think creatively, become more forward thinking, willing to learn and be trained, respect seniors, work professionally and objectively in order to reveal positive attitude and characteristics towards work ethics. This will enhance their employability in the banking industry which is more interested in recruiting graduates who are competent and dynamic. Therefore graduates could try to acquire these qualities at university itself so that they will be prepared to face the challenges and risks arising at workplace.

The Training and Attachment Programmes for Unemployed Graduates were implemented in November 2001 to enhance the employability and marketability of graduates. Graduates registered under this programme were attached to public and private sector agencies to gain work experience and were trained in areas such as ICT, the English language and research methodology technique. Under the Package of New Strategies in 2003, a new retraining fund was established with an allocation of RM 100 million for the retraining and re-skilling of new graduates in selected fields (Economic Planning Unit, 2003). Therefore with this type of provision from the government, graduates can make full use of them by joining these programmes to improve their working skills, capabilities, employability and marketability.

5.3 Conclusion

From this research we can derive that banks preferred to recruit graduates from private universities and private colleges to graduates from public universities. We can also observe that even though the pattern of recruitment adopted by the banks showed that they preferred

local graduates to foreign graduates, there were still a high proportion of them who preferred foreign graduates and have high regards for them.

The main reasons given for the practise of this type of recruitment pattern is that compared to private university, private college and foreign graduates, our public university graduates are not proficient in English, lack the knowledge of ICT and interpersonal and communication skills. They are also unwilling to pursue extra mile or move forward compared to graduates from private universities, private colleges and foreign universities who are willing and prepared to face challenges and take risks and are more initiative. However, the research showed that these were not the only factors that determined the kind of preference adopted by the banks.

In this regard, it should be noted that in examining the patterns of graduate recruitment in the banks there are other factors that equally influence the patterns and ought to be considered as well. This is because the scope that we are looking at is wider and we could also take into account other aspects like the mismatch in the job market, marketability of fields of education, methods of recruitment, characteristics of individual graduates, their capabilities and expertise, the nature of the educational institutions, and expectations of the private sector.

It is also unwise to conclude that our public university graduates are way backwards compared to foreign, private university and private college graduates. Even though the banks do not have much regards for public university graduates, these graduates have their own strengths compared to other graduates. Unlike Private Higher Educational Institutions, public universities stress and concentrate more on research and development. They are institutions whose credibility and worth lies on the stability of their institutions, academic courses, and research and development, which produce intellectuals with wide knowledge and horizon.

Therefore we should examine what makes the private university and college graduates different from or superior to our public university graduates. What is the underlying factor behind this scenario? When looked in detail we find out that the standard of education and the curriculum adopted by the higher educational institutions plays a major role in distinguishing these graduates. It is notable that a comprehensive curriculum and a high standard of education policy will produce quality graduates. Therefore, certain aspects of the teaching and learning curriculum in public universities need to be improved in order to produce graduates who are not only intellectuals but marketable as well. Universities nowadays are not just expected to produce graduates with specialist subject knowledge, but also a wide range of other practical and 'soft' skills to carry out their jobs effectively in the workplace.

Therefore, all the parties involved in the graduate employment can make an effort to enhance the employability and marketability of our graduates to meet the requirements and demands of the private sector. This calls for a review of current policies by the government, public institutions and the private sector. Government can implement higher education policies and programmes that are conducive and will improve our education system to create a path for the enhancement of our human resources. On the other hand, universities, the private sector and graduates themselves can make an attempt in every possible way to improve the quality and standard of our higher education system in order to cater to the needs of a rapidly industrialising economy. Future public policies will have impact on current issues of unemployment. Therefore, it is crucial to improve the employment situation of future generations because this condition experienced by the developing countries will worsen as the country advanced into a developed nation, as can be currently seen in other parts of Asia such as South Korea and Japan.